

**Blue Ribbon Committee on DEQ's Wastewater Management Program**  
**May 10, 2004**  
**Draft Conference Call Summary**

<b><i>Committee members present</i></b>	<b><i>Alternates Present</i></b>
Bob Austin, League of Oregon Cities	None
Michael Campbell, Stoel Rives, LLC	
John Chandler, OR Building Industry Assn	<b><i>Guests</i></b>
Cheryl Koshuta, Port of Portland	Linda Ludwig, League of Oregon Cities
Charles Logue, Clean Water Services/ACWA	
Craig Smith, NW Food Processors Assn	<b><i>Committee members not present</i></b>
David Welsh, NW Environ. Business Council	Ed Butts, Stettler Supply Company
	Karen Lewotsky, Oregon Environmental Council
	Galen May, Associated Oregon Industries
	Kathryn Van Natta, NW Pulp & Paper Assoc
<b><i>DEQ staff</i></b>	Travis Williams, Willamette Riverkeeper
Holly Schroeder	
Mark Charles	<b><i>Facilitators</i></b>
Patti Seastrom	Anne Dettelbach, Ross & Associates
	Bill Ross, Ross & Associates

## ***Call Objectives***

1. Review pathways for institutionalizing DEQ actions supported by the BRC.
2. Review updated BRC report outline.
3. Approve proves to complete BRC report.

## ***Welcome and Introductions***

The Blue Ribbon Committee (BRC) on DEQ's Wastewater Management Program met via conference call on Monday, May 10. Anne Dettelbach, Ross & Associates, facilitated the call.

## ***"Institutionalization" Table***

During this session, the BRC reviewed the "DEQ Wastewater Permitting Program Activities and Institutionalization Pathways" table. This table was prepared by Ross & Associates (with input from DEQ staff) to demonstrate how actions and activities being discussed by the BRC could be 'institutionalized' by DEQ or others. Members made the following comments.

- This table should somehow incorporate the needed culture shift at DEQ. [A: *DEQ anticipates that the shift will happen as a result of the trainings, guidance development, and performance measures. A2: This concept should also be included in the BRC report.*]
- Have we talked about any actions or directions DEQ could take to maintain the attitude changes? [We should consider whether any steps can be taken to ensure ongoing implementation of the recommended actions and ongoing support for culture change in the direction of responsiveness, etc. 2](#)
- How does this table compare to the EPA audit? Are the two complementary? Are they at odds in any way? [A: *This table, the Committee's direction, is not inconsistent with the EPA audit.*]
- Include a column for timing—when DEQ plans to implement. [A: *DEQ has added this detail; an updated table is attached at the end of this summary. A2: Generally, statutory changes would be proposed in the 2005 legislative session; rulemaking would happen subsequent to the passage of*

*the new statutory language. Guidance/policy/program management changes would follow and would establish deliverables, dates, etc.]*

- Add detail re: implementing information technology/information management enhancements. [A: *See table at end.*]
- The BRC has discussed establishing a mechanism/process for resolving issues that arise in specific permits (and that can delay permit issuance). This issue is not covered here and should possibly be added. [A: *This concept can be added. Also, the permit issuance plan will include specific milestones that facilities or individuals can use to track whether permit issuance is on schedule/delayed.*]
- Requiring the use of receipts authority to process new permits can be seen as inconsistent with business generation goals and aims. Using receipts authority to process off-cycle permit modifications is entirely appropriate. ~~I'm not sure this note is entirely accurate. I need some time to check this out. You could either try rewording this to be less specific or wait for me to check it out.~~ [NOTE: DEQ's current workload model does not build in the hours associated with processing new permits. Rather, the model assumes that ~~new~~ permit applicants will pay the up-front full costs of processing their permits. NOTE 2: The Committee will discuss this issue, including options to establish application fees for new permits (in addition to annual fees), at its next meeting. The Committee may want to consider the appropriateness of charging a one-time fee for new applicants based on anticipated permit processing workload.]
- This table does not reflect the BRC's level of support for, or understanding of specific actions (e.g., establishing a simple permit category). [A: *The table does not try to do this. The report will identify which strategies are recommended, supported for further exploration or consideration, etc.*]
- Inclusion of annual reports and accountability measures reporting is useful. Accountability measures should be reported on annually. The annual report should be made to the Legislature. Please clarify if reporting will take place on a fiscal/calendar year. assign timelines. "report"

## **BRC Draft Report Outline**

Next, conference call participants turned their attention to the draft report outline, updated since the March 30 meeting. Members were generally supportive of the direction and focus of the report and offered the following specific comments.

- Incorporate the escalation/decisionmaking process needs into the report, e.g., under the section that highlights ways to maintain consistent, up-to-date permits.
- Consider moving discussion of accountability measures to the section highlighting changes needed at DEQ. "DEQ needs to report on accountability measures and incorporate those findings with its annual report."
- Carry forward the message that these actions work together as a package.
- Reorganize sections at the end of the report as follows.

(1) Prepare a Legislative Actions section. The section should cover legislative/statutory changes needed. The 'legislative actions' section should include actions related to changing program funding/permit fee structures. Modifying the report in this way will enable legislators to quickly pull out a section focused on actions this group is asking them to take. Be clear that these actions are not optional.

(2) Prepare a DEQ Actions section. This section will cover rulemaking, accountability measures, and actions DEQ would take to enact any changes to the fee structure.

(3) Prepare a DEQ Culture Change and Decisionmaking Section. This section will cover DEQ policy and infrastructure changes, as well as other culture change options.

- The Executive Summary should be drafted for legislators, primarily.
- Expand the background section to provide a bit of additional context.

## ***Next Steps***

1. Ross & Associates will check in with members who were unable to attend to get their feedback on the institutionalization table, the report outline, and the general approach. These individuals will be asked to clarify any concerns they have and to bring these to the next meeting (May 27).

2. Ross & Associates will work with DEQ to determine Mike Gearheard's (EPA) availability to attend and the value of inviting Mike to the next meeting.

3. Ross & Associates will begin drafting the Committee's report for discussion on May 27.

4. DEQ will consider how to pull the regional managers into the discussion. Members are very interested that this group be fully informed about the BRC's deliberations. If regional managers are unable to attend the May 27 meeting, members may be willing to meet with them at a different time (possibly a subset of the BRC membership would attend).

## DEQ Wastewater Permitting Program Activities and Institutionalization Pathways Related to BRC Discussions

(5-10-04 redraft)

	<i>DEQ "Action"</i>	<i>How to institutionalize</i>	<i>Timing</i>	<i>Progress To-Date</i>
<b>I WATERSHED-BASED PERMITTING</b>				
A	Use a watershed-based approach to permitting (5-year cycle).	Statute *, PPA	2005 Legislative Session	Regional managers have drafted a 5-year permitting schedule.
B	Establish priority ranking based on environmental significance.	Program management/infrastructure → Policy Guidance	Following the end of the legislative session	Included in Implementation Approach
C	Establish a simple permit category.	Statute or rule	2005 legislative session or following end of session	Language drafted
D	Establish a geographic general permit category.	Statute or rule	2005 legislative session or following end of session	Language drafted
E	Extend expiration dates for permits with lower environmental significance.	Guidance policy (as follow up to regulatory language for WPCF)	Summer 2004	Planning fall training session
F	Build flexibility into the 5-year schedule to allow permits to proceed if TMDL is delayed.	Statute or rule	2005 legislative session or following end of session	Language drafted
<b>II UP-TO-DATE, CONSISTENT WASTEWATER PERMITS</b>				
A	Establish and maintain a watershed-based permit issuance plan.	Program management/infrastructure; PPA	July 2004	Regional managers have drafted a 5-year permitting schedule.
B	Establish state-wide permitwriter tools; hold regular trainings.	Program management/infrastructure	Fall 2004	Industrial permit wizard under development; Fall 2004 training under development

C	Centralize policy development	Program management/infrastructure	Fall 2004	Initiated clarifying staff roles
D	Use receipts authority to process [new permit applications and?] off-cycle permit modification requests.	Statute or rule	2005 legislative session or following end of session	Under evaluation
E	Establish an “escalation” mechanism or process for resolving issues raised by specific permits.	Guidance policy; Program management/infrastructure	Summer 2004	Under consideration
<b>III SUFFICIENT, APPROPRIATE COMPLIANCE TOUCHPOINTS</b>				
A	Establish a DEQ compliance/inspection schedule according to environmental significance.	Program management/infrastructure	Summer 2004	Final permit issuance plan will drive draft inspection plan
B	Review DMR data on a monthly basis.	Program management/infrastructure → DMS system	Fall 2004	DMS programming is scheduled to be done by end of calendar year 2004; applied for grant to populate DMS with permit info.
<b>IV TRANSPARENCY, EFFICIENCY, AND ACCOUNTABILITY</b>				
A	Establish permit issuance and inspection plans (updated annually or every two years). Post on the website; share with EPA and EQC. Establish a process to resolve permit issues.	Website; report to EQC.	Report annually to EQC and/or the Legislature. Investigate dispute resolution processes by Fall 2004.	
B	Establish primary accountability measures; Report on these to the EQC (and post on DEQ website) on an annual basis. <sup>1</sup>	Statute; report to EQC	2005 legislative session Report annually	Draft primary accountability measures identified.

<sup>1</sup> Primary accountability measures being considered as of 5/10/04 are: (1) % of permits that are on the basin cycle; (2) Percent of permits that are current; (3) Percent of DMR exceedances that are investigated within X days; and (4) Percent of major/minor/general permittees that receive a compliance (Type 1) inspection each year.

C	Migrate to electronic DMR review/submittal	Program management/infrastructure → DMS system	2005	DMS programming is scheduled to be done by the end of calendar year 2004.
D	Remove requirement to establish a new general permit category only by rulemaking.	Statute	Following the end of the legislative session	Documented in Implementation Approach.
<b>V FULLY AND ADEQUATELY FUNDED W/W PERMITTING PROGRAM</b>				
A	Program funded by a mixture of sources (maintaining approximately the same mixture as today).	Legislature, incl. biennial budgeting process	2005 legislative session	Budget proposal drafted.
B	Annualize all permit fees.	Statute and rule	2005 legislative session or following end of session	Language drafted.
C	Allow for an annual permit fee inflator.	Statute and rule	2005 legislative session or following end of session	Language drafted.
D	Simplify the permit fee structure.	Rule	2005 legislative session or following end of session	Language drafted.

\*Statutory language generally provides broader policy direction. Specific implementation details are generally included in rule.